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2006-91-E

March 24, 2006

**VIA HAND DELIVERY**

The Honorable Charles L.A. Terreni  
Public Service Commission of South Carolina  
101 Executive Center Drive, Suite 100  
Columbia, South Carolina 29211

SO. CAROLINA  
PUBLIC SERVICE COMMISSION  
MAR 24 11:53  
COLUMBIA

Re: **Application for Approval of Proposed Addition to Duke Power's Service Regulations and Various Tariffs to Address Early Contract Termination**

Dear Mr. Terreni:

Duke Power ("Duke" or "Company"), a division of Duke Energy Corporation, submits for filing an original and ten (10) copies of its request for Commission approval to modify its Service Regulations; Rate Schedules G, W, GA, 9, BC, TS, GB, GT, I, IT, OPT, HP, PG, EV-X, MP and PV; and On-Site Generation Service ("OSG") Program tariff and service agreement to add or clarify provisions regarding the customer's obligations upon termination of or amendment to the customer's electric service agreement prior to the expiration of the initial term of contract.

Duke proposes to add a provision to Leaf "A" of its Service Regulations to clarify the method for determining the amount that nonresidential customers will be required to pay when terminating or amending the agreement before fulfillment of the initial term, unless the rate schedule and/or rider(s) under which the customer is serviced provide otherwise. The charge will be the lower of: (a) The net present value of the monthly minimum bills less any mitigation of damages; or (b) The sum of the loss due to early retirement of facilities specifically installed by the Company to provide service under the agreement (provided that this amount is not less than zero).

This clarification represents Duke's long-standing practice in the event of early contract termination with respect to the consideration of minimum bills for the remainder of the initial term and the loss due to early retirement of facilities to serve the customer. The Company has

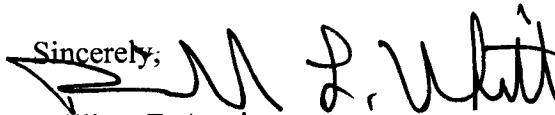
been in the process of reviewing its Service Regulations and rate schedules to determine what revisions would be appropriate in order to provide greater clarity regarding early termination obligations. Duke previously filed requests for approval of changes to its Economic Development (Rider EC) and Economic Redevelopment (Rider ER) riders and changes to its lighting rate schedules for Outdoor Lighting Service (Schedule OL), Public Lighting Service (Schedule PL) and Floodlighting Service (Schedule FL). These changes included specific provisions regarding early termination given certain unique aspects of these riders and rates. In its filing regarding Riders EC and ER, the Company noted that it would be requesting by separate cover, approval of a revision to its Service Regulations to include a provision addressing nonresidential customers' early termination obligations generally. The Commission approved the requested changes to Riders EC and ER by Order modifying, Docket No. 2004-335-E, Order No. 2004-639 (December 22, 2004) and to Schedules OL, PL and FL by Order Approving Revisions, Docket No. 2005-24-E, Order No. 2005-270 (May 23, 2005).

Additionally, Duke proposes to add the following language to Schedules G, W, GA, 9, BC, TS, GB, GT, I, IT, OPT, HP-X, PG, EV-X, MP and IS in order to conform them to the proposed changes to Leaf A and to direct customers to the Service Regulations for their early termination obligation: "If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations."

Lastly, the Company's OSG Program includes a formula-based rate that results in a monthly service fee specific to each participating customer. The OSG form of service agreement approved by the Commission in Docket No. 2001-245-E includes a detailed provision for calculation of a termination fee. Therefore, Duke proposes to amend the OSG tariff to simply refer to the service agreement for the early termination obligation. Also, the Company files for Commission information, an updated version of the OSC service agreement to correct a typographical error in the service agreement.

Attached are Leaf "A" to the Service Regulations with the proposed changes highlighted and the tariffs discussed above modified as discussed above. Duke respectfully requests Commission approval of these changes by April 25, 2006.

Sincerely,



William F. Austin  
Richard L. Whitt

RLW/dss

Lara Simmons Nichols  
Associate General Counsel  
DUKE POWER, a division of  
DUKE ENERGY CORPORATION  
(704) 382-9960

Enclosures

SCHEDULE G (SC)  
GENERAL SERVICEAVAILABILITY (South Carolina Only)

Available to the individual customer.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premises.

This Schedule is not available to the individual customer who qualifies for a residential or industrial schedule nor for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in, or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

Single-phase, 120/240 volts, 120/208 volts, 240/480 volts or other available single-phase voltages at the company's option; or  
3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or  
3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or  
3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or  
3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge	\$6.85
II.	Demand Charge	
	For the first 30 KW of Billing Demand per month	No Charge
	For all over 30 KW of Billing Demand per month	\$3.28 per KW
II.	Energy Charge	
	<u>For the First 125 kWh per KW Billing Demand per Month:</u>	
	For the first 3,000 kWh per month	9.9634 cents per kWh
	For the next 87,000 kWh per month	5.0594 cents per kWh
	For all over 90,000 kWh per month	3.2936 cents per kWh
	<u>For the Next 275 kWh per KW Billing Demand per Month:</u>	
	For the first 6,000 kWh per month	5.1300 cents per kWh
	For the next 95,000 kWh per month	5.0680 cents per kWh
	For the next 39,000 kWh per month	4.4395 cents per kWh
	For the next 60,000 kWh per month	4.4278 cents per kWh
	For all over 200,000 kWh per month	4.3645 cents per kWh
	<u>For all Over 400 kWh per KW Billing Demand per Month:</u>	
	For the first 1,000,000 kWh per month	4.2564 cents per kWh
	For all over 1,000,000 kWh per month	3.9958 cents per kWh

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

**DEFINITION OF "MONTH"**

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

**DETERMINATION OF BILLING DEMAND**

The Billing Demand each month shall be the largest of the following:

1. The maximum integrated thirty-minute demand in the previous 12 months including the month for which the bill is rendered.
2. Fifty percent (50%) of the Contract Demand.
3. 30 kilowatts (KW)

The Company will install a permanent demand meter when the monthly usage of the Customer equals or exceeds 3,000 kWh per month, or when tests indicate a demand of 15 KW or more. The Company may, at its option, install a demand meter for any customer served under this schedule.

**MINIMUM BILL**

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the bill shall not be less than the amount determined as shown below according to the type of minimum selected by the Company:

**Monthly**

\$1.49 per KW per month of Contract Demand

If the Customer's measured demand exceeds the Contract Demand, the Company may, at any time, establish the minimum based on the maximum integrated demand in the previous 12 months including the month for which the bill is rendered, instead of the Contract Demand.

**Annual**

\$28.40 per KW per year of Contract Demand

The Company may choose this option when the Customer's service is seasonal or erratic, or it may offer the Customer a monthly minimum option.

Unless otherwise specified in the contract, the billing procedure for annual minimums will be as follows:

For each month of the contract year when energy is used, a monthly bill will be calculated on the Rate above. For each month of the contract year when no energy is used, no monthly amount will be billed. The bill for the last month of the contract year will be determined as follows:

- If the total of the charges for 12 months exceeds the annual minimum, the last bill of the contract year will include only the charges for that month.
- If the total of the charges for 12 months is less than the annual minimum, the last bill of the contract year will include an amount necessary to satisfy the annual minimum.

**POWER FACTOR CORRECTION**

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

**SALES TAX AND MUNICIPAL FEES**

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

**PAYMENT**

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

**CONTRACT PERIOD**

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE W (SC)  
GENERAL SERVICE  
WATER HEATINGAVAILABILITY (South Carolina Only)

Available only to customers on Schedule G or I receiving service at 575 volts or less. Service under this Schedule is available for water heating purposes other than space heating. Water heaters must be of the insulated storage type.

TYPE OF SERVICE

The Company will furnish 60 Hertz service, single-phase or three-phase, sub-metered at the same point of delivery and at the same voltage as the energy which is delivered to the Customer on Schedule G or Schedule I.

The hours of use under this Schedule shall be under the control of the Company and may be limited to fifteen hours out of each twenty-four hours.

RATE:

For the first 100 kWh used per month	8.0698 cents per kWh
For all over 100 kWh used per month	5.6514 cents per kWh

Exceptions:

Where electric water heating energy is supplied on this Schedule to landlords who supply domestic hot water to not more than four tenants in small apartment houses or in certain small commercial establishments, and no other energy is used by the landlord, the Company may choose not to install a meter for Schedule G. In such cases the Company will add a Basic Facilities Charge of \$6.85 per month to the bill as calculated above. The minimum monthly bill under such an arrangement will be in accordance with the provisions of Schedule G, and the billing demand will be that of the water heater, or estimated at 4 KW if not known.

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

The original term of this contract shall be one year and thereafter until terminated by either party on thirty days' written notice.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE GA (SC)  
GENERAL SERVICE, ALL-ELECTRIC

AVAILABILITY (South Carolina Only)

Available only to establishments in which environmental space conditioning is required and all energy for all such conditioning (heating and cooling) is supplied electrically through the same meter as all other electric energy used in the establishment. However, if any such establishment contains residential housekeeping units, all energy for all water heating and cooking for such units is also supplied electrically.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premise, and all electric energy used in the establishment must be provided by the Company.

To qualify for service under this Schedule, space conditioning systems shall be permanently installed in accordance with sound engineering practices and the manufacturer's recommendation.

This Schedule is not available to the individual customer who qualifies for a residential or industrial schedule nor for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Power Company, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

- Single-phase, 120/240 volts; or
  - 3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
  - 3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
  - 3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or.
- 3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge	\$7.80	
II.	Demand Charge	No Charge	
	For the first 30 KW of Billing Demand per month	\$3.28 per KW	
	For all over 30 KW of Billing Demand per month		
II.	Energy Charge	Billing Months April - November	Billing Months December - March
	<u>For the First 125 kWh per KW Billing Demand per Month:</u>		
	For the first 3,000 kWh per month	9.9634 cents per kWh	9.4531 cents per kWh
	For the next 87,000 kWh per month	5.0594 cents per kWh	4.7943 cents per kWh
	For all over 90,000 kWh per month	3.2936 cents per kWh	3.1168 cents per kWh
	<u>For the Next 275 kWh per KW Billing Demand per Month:</u>		
	For the first 6,000 kWh per month	5.1300 cents per kWh	4.8613 cents per kWh
	For the next 95,000 kWh per month	5.0680 cents per kWh	4.8024 cents per kWh
	For the next 39,000 kWh per month	4.4395 cents per kWh	4.2054 cents per kWh
	For the next 60,000 kWh per month	4.4278 cents per kWh	4.1942 cents per kWh
	For all over 200,000 kWh per month	4.3645 cents per kWh	4.1342 cents per kWh
	<u>For all Over 400 kWh per KW Billing Demand per Month:</u>		
	For the first 1,000,000 kWh per month	4.2564 cents per kWh	4.0314 cents per kWh
	For all over 1,000,000 kWh per month	3.9958 cents per kWh	3.7838 cents per kWh

**DEFINITION OF "MONTH"**

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

**ADJUSTMENT FOR FUEL COSTS**

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

**DETERMINATION OF BILLING DEMAND**

The Billing Demand each month shall be the largest of the following:

1. The maximum integrated thirty-minute demand measured during the month for which the bill is rendered.
2. Fifty percent (50%) of the maximum integrated thirty-minute demand in the previous 12 months including the month for which the bill is rendered.
3. Fifty percent (50%) of the Contract Demand.
4. 15 kilowatts (KW)

Note: The minimum billing demand for contracts made prior to March 15, 1971 shall be 5 KW until the maximum integrated thirty-minute demand becomes 15 KW, after which the minimum billing demand for such contracts shall be 15 KW.

The Company will install a permanent demand meter for all customers served under this Schedule.

**MINIMUM BILL**

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the bill shall not be less than the amount determined as shown below according to the type of minimum selected by the Company:

**Monthly**

\$1.49 per KW per month of Billing Demand

**Annual**

\$28.40 per KW per year of Contract Demand

The Company may choose this option when the Customer's service is seasonal or erratic, or it may offer the Customer a monthly minimum option.

Unless otherwise specified in the contract, the billing procedure for annual minimums will be as follows:

For each month of the contract year when energy is used, a monthly bill will be calculated on the Rate Above. For each month of the contract year when no energy is used, no monthly amount will be billed. The bill for the last month of the contract year will be determined as follows:

- If the total of the charges for 12 months exceeds the annual minimum, the last bill of the contract year will include only the charges for that month.
- If the total of the charges for 12 months is less than the annual minimum, the last bill of the contract year will include an amount necessary to satisfy the annual minimum.

**POWER FACTOR CORRECTION**

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

**SALES TAX AND MUNICIPAL FEES**

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

**PAYMENT**

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

**CONTRACT PERIOD**

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE 9 (SC)  
SERVICE TO COTTON GINSAVAILABILITY (South Carolina Only)

Available only to Cotton Gins purchasing all power requirements from the Company at primary voltage.

This Schedule is not available for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in, or is prevented from furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz, three-phase service through one meter, at one delivery point, at the available primary distribution voltage. The Customer shall provide, own, and maintain transformers and associated equipment necessary to obtain utilization voltage, and metering shall be on the Company's side of such transformers.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

10.7184 cents per kWh

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

MINIMUM BILL

None

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter, by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years when the requirement is justified by the circumstances.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.



SCHEDULE BC (SC)  
BUILDING CONSTRUCTION SERVICE

AVAILABILITY (South Carolina Only)

Available only as temporary service to builders for use in the construction of buildings or other establishments which will receive, upon completion, permanent electric service from the Company's lines.

This Schedule is not available for permanent service to any building or other establishment, or for service to construction projects of types other than those described above. This Schedule is not available to rock crushers, asphalt plants, carnivals, fairs, or other non-permanent connections. Such service will be provided on the Company's General Service Schedule.

This Schedule is not available for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at 120/240 volts, single phase.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

For the first 50 kWh used per month	\$5.04 plus 0.4040 cents per kWh
For all over 50 kWh used per month	5.7201 cents per kWh

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

MINIMUM BILL

\$5.04 per month

OTHER CHARGES

There will be no charge for connection and disconnection of the temporary service if the builder accepts delivery at a point where the Company deems such delivery feasible; otherwise, there will be a charge as follows: Overhead service conductors, transformers and line extensions necessary to serve such requirements will be erected and dismantled at actual cost subject to credit for facilities which may remain in permanent service. The actual cost shall include payroll, transportation, and miscellaneous expense for both erection and dismantling of the temporary facilities, plus the cost of material used, less the salvage value of the material removed.

If the builder or his subcontractors require additional temporary services at the same construction site, a charge, computed as in the foregoing, shall be made for each such service.

The Company may require a deposit equal to the estimated cost of connection and disconnection plus the estimated billing on the foregoing rate for the period involved, said deposit to be returned if the contract period is fulfilled.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

The term of this contract shall be the estimated length of time, declared by the builder on making application for service, required for completion of construction at the location where service is requested. The builder shall notify the Company when construction is completed. If at any time during the term of this contract, inspection discloses construction completed, or energy being used for purposes other than that set forth in this Schedule, the contract shall be deemed terminated, and billing for service thereafter, until disconnection is requested, shall be on the Company's General Service Schedule.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE TS (SC)  
TRAFFIC SIGNAL SERVICEAVAILABILITY (South Carolina Only)

Available to municipalities in which the Company owns and operates the electric distribution system, and to County, State, and Federal Authorities, in areas served by the Company, for the energy requirements of traffic and safety signal systems.

Power delivered under this Schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at 120/240 volts, single-phase.

RATE:

Basic Facilities Charge	\$2.76
For the first 10 kWh used per month	0.1739 cents per kWh
For the next 40 kWh used per month	16.0024 cents per kWh
For all over 50 kWh used per month	5.6656 cents per kWh

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under this Schedule.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

MINIMUM BILL

\$2.76 per month

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of, and be due and payable with, the bill on which it is rendered.

CONTRACT PERIOD

The original term of this contract shall be one year and thereafter until terminated by either party on thirty days' written notice.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE GB (SC)  
GENERAL SERVICEAVAILABILITY (South Carolina Only)

This Schedule is closed and not available for service to customers at locations where the Customer was not served by the Company prior to the effective date of this Schedule, December 1, 1981.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premise.

This Schedule is not available to the individual customer who qualifies for a residential schedule nor for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in, or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

- Single-phase, 120/240 volts; or
- 3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
- 3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
- 3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
- 3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

The Energy Charge for customers receiving service in establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electrical energy consumption of such establishment is used for its manufacturing processes is shown below under "Industrial Service". The rate for all other customers on this schedule is shown under "General Service".

	<u>General Service</u>	<u>Industrial Service</u>
I. Basic Facilities Charge	\$16.38	\$16.38
II. Energy Charge		
<u>For the First 125 kWh per KW Billing Demand per Month:</u>		
For the first 3,000 kWh per month	10.3750 cents per kWh	10.3750 cents per kWh
For the next 87,000 kWh per month	8.7986 cents per kWh	8.7986 cents per kWh
For all over 90,000 kWh per month	6.8942 cents per kWh	6.8942 cents per kWh
<u>For the Next 275 kWh per KW Billing Demand per Month:</u>		
For the first 6,000 kWh per month	7.4868 cents per kWh	7.4868 cents per kWh
For the next 134,000 kWh per month	5.0780 cents per kWh	5.0780 cents per kWh
For the next 60,000 kWh per month	4.7123 cents per kWh	4.7123 cents per kWh
For all over 200,000 kWh per month	4.3086 cents per kWh	4.3086 cents per kWh
<u>For all Over 400 kWh per KW Billing Demand per Month:</u>		
For the first 1,000,000 kWh per month	4.2078 cents per kWh	4.2078 cents per kWh
For all over 1,000,000 kWh per month	4.0564 cents per kWh	4.0564 cents per kWh

### ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under this Schedule.

### INTERIM LOAD RETENTION RIDER

The Company's Interim Load Retention Rider decrement will apply to service supplied to establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes. The currently approved decrement is included in the rate above.

### DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

### DETERMINATION OF BILLING DEMAND

The Billing Demand each month shall be the largest of the following:

1. The maximum integrated thirty-minute demand in the previous 12 months including the month for which the bill is rendered.
2. Fifty percent (50%) of the Contract Demand.
3. 30 kilowatts (KW)

The Company will install a permanent demand meter when the monthly usage of the Customer equals or exceeds 3,000 kWh per month, or when tests indicate a demand of 15 KW or more. The Company may, at its option, install a demand meter for any customer served under this schedule.

### MINIMUM BILL

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the bill shall not be less than the amount determined as shown below according to the type of minimum selected by the Company:

#### Monthly

\$1.52 per KW per month of Contract Demand

If the Customer's measured demand exceeds the Contract Demand, the Company may, at any time, establish the minimum based on the maximum integrated demand in the previous 12 months including the month for which the bill is rendered, instead of the Contract Demand.

#### Annual

\$28.95 per KW per year of Contract Demand

The Company may choose this option when the Customer's service is seasonal or erratic, or it may offer the Customer a monthly minimum option.

Unless otherwise specified in the contract, the billing procedure for annual minimums will be as follows:

For each month of the contract year when energy is used, a monthly bill will be calculated on the Rate above. For each month of the contract year when no energy is used, no monthly amount will be billed. The bill for the last month of the contract year will be determined as follows:

- If the total of the charges for 12 months exceeds the annual minimum, the last bill of the contract year will include only the charges for that month.
- If the total of the charges for 12 months is less than the annual minimum, the last bill of the contract year will include an amount necessary to satisfy the annual minimum.

### POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

### SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

Schedule GB (SC) continued

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE GT (SC)  
GENERAL SERVICE, TIME-OF-USEAVAILABILITY (South Carolina Only)

This Schedule is closed and not available to customers or locations not served on this Schedule prior to October 8, 1985 and shall remain in effect for customers under continually effective agreements for this Schedule made prior to October 8, 1985.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premise.

This Schedule is not available to the individual customer who qualifies for a residential or industrial schedule, nor for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in, or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

- Single-phase, 120/240 volts; or
- 3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
- 3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
- 3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
- 3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge per month	\$36.43	
		Summer Months	Winter Months
		June 1 - September 30	October 1 - May 31
II.	Demand Charge		
	A. On-Peak Demand Charge per month	\$14.74 per KW	\$8.46 per KW
	B. Economy Demand Charge per month	\$ 1.08 per KW	\$1.08 per KW
III.	Energy Charge		
	A. All On-Peak Energy per month	3.7222 cents per kWh	3.7222 cents per kWh
	B. All Off-Peak Energy per month	2.9596 cents per kWh	2.9596 cents per kWh

## DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

	Summer Months	Winter Months
	June 1 - September 30	October 1 - May 31
On-Peak Period Hours	12:00 noon - 10:00 p.m.	6:00 a.m. - 1:00 p.m.
	Monday - Friday	Monday - Friday
Off-Peak Period Hours	All other weekday hours and all Saturday and Sunday hours.	

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under this Schedule.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken each month at intervals of approximately thirty (30) days.

Summer months' rates apply to service from June 1 through September 30. Winter months' rates apply to service from October 1 through May 31.

**CONTRACT DEMAND**

The Company will require contracts to specify the maximum demand to be delivered to the Customer which shall be the Contract Demand.

Where the Customer can restrict on-peak demand to levels considerably below that of the Contract Demand, the Company may also contract for a limited On-Peak Contract Demand in addition to the Contract Demand.

**DETERMINATION OF BILLING DEMAND**

A. The On-Peak Billing Demand each month shall be the largest of the following:

1. The maximum integrated thirty-minute demand during the applicable summer or winter on-peak period during the month for which the bill is rendered.
2. Fifty percent (50%) of the Contract Demand (or 50% of the On-Peak Contract Demand if such is specified in the contract)
3. 15 kilowatts (KW)

B. Economy Demand

To determine the Economy Demand, the larger of

1. The maximum integrated thirty-minute demand during the month for which the bill is rendered; or
  2. 50% of the Contract Demand
- shall be compared to the On-Peak Billing Demand as determined in (A) above. If the demand determined by the larger of (B.1) and (B.2) above exceeds the On-Peak Billing Demand, the difference shall be the Economy Demand.

**MINIMUM BILL**

The monthly bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge, and Energy Charge, but the sum of the On-Peak Demand Charge and the Economy Demand Charge shall not be less than \$1.52 per month per KW of the Contract Demand. If the Customer's measured demand exceeds the Contract Demand, the Company may at any time establish the minimum based on the maximum integrated demand in the previous twelve months including the month for which the bill is rendered.

**POWER FACTOR CORRECTION**

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

**SALES TAX AND MUNICIPAL FEES**

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

**PAYMENT**

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

**CONTRACT PERIOD**

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE I (SC)  
INDUSTRIAL SERVICEAVAILABILITY (South Carolina Only)

Available only to establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premise.

This Schedule is not available for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in, or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

- Single-phase, 120/240 volts; or
- 3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
- 3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
- 3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
- 3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge per month	\$15.96
II.	Demand Charge	
	For the first 30 KW of Billing Demand per month	No Charge
	For all over 30 KW of Billing Demand per month	\$3.41 per KW
II.	Energy Charge	
	<u>For the First 125 kWh per KW Billing Demand per Month:</u>	
	For the first 3,000 kWh per month	9.6655 cents per kWh
	For the next 87,000 kWh per month	4.9788 cents per kWh
	For all over 90,000 kWh per month	3.2944 cents per kWh
	<u>For the Next 275 kWh per KW Billing Demand per Month:</u>	
	For the first 140,000 kWh per month	4.9727 cents per kWh
	For the next 60,000 kWh per month	4.6311 cents per kWh
	For all over 200,000 kWh per month	4.1924 cents per kWh
	<u>For all Over 400 kWh per KW Billing Demand per Month:</u>	
	For the first 1,000,000 kWh per month	4.0369 cents per kWh
	For all over 1,000,000 kWh per month	3.8534 cents per kWh



### ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under this Schedule.

### INTERIM LOAD RETENTION RIDER

The Company's Interim Load Retention Rider decrement will apply to service supplied to establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes. The currently approved decrement is included in the rate above.

### DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

### DETERMINATION OF BILLING DEMAND

- A. For establishments served under this schedule where environmental space conditioning is required and all energy for all such conditioning (heating and cooling) is supplied electrically through the same meter as all other energy used in the establishment, the Billing Demand each month shall be the largest of the following:
1. The maximum integrated thirty-minute demand measured during the month for which the bill is rendered.
  2. Fifty percent (50%) of the maximum integrated thirty-minute demand in the previous 12 months including the month for which the bill is rendered.
  3. Fifty percent (50%) of the Contract Demand
  4. 15 kilowatts (KW)

Note: The minimum billing demand for contracts made prior to March 15, 1971, shall be 5 KW until the maximum integrated thirty-minute demand becomes 15 KW, after which the minimum billing demand for such contracts shall be 15 KW. The Company will install a permanent demand meter for all customers meeting the requirements of (A) above.

- B. For all other customers served under this schedule, the Billing Demand each month shall be the largest of the following:
1. The maximum integrated thirty-minute demand in the previous 12 months including the month for which the bill is rendered.
  2. Fifty percent (50%) of the Contract Demand
  3. 30 kilowatts (KW)

The Company will install a permanent demand meter when the monthly usage of the Customer equals or exceeds 3,000 kWh per month, or when tests indicate a demand of 15 KW or more. The Company may, at its option, install a demand meter for any customer served under (B) above.

### MINIMUM BILL

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the bill shall not be less than the amount determined as shown below according to the type of minimum selected by the Company:

#### Monthly

\$1.49 per KW per month of Contract Demand

If the Customer's measured demand exceeds the Contract Demand, the Company may, at any time, establish the minimum based on the maximum integrated demand in the previous 12 months including the month for which the bill is rendered, instead of the Contract Demand.

#### Annual

\$28.40 per KW per year of Contract Demand

The Company may choose this option when the Customer's service is seasonal or erratic, or it may offer the Customer a monthly minimum option.

Unless otherwise specified in the contract, the billing procedure for annual minimums will be as follows:

For each month of the contract year when energy is used, a monthly bill will be calculated on the Rate above. For each month of the contract year when no energy is used, no monthly amount will be billed. The bill for the last month of the contract year will be determined as follows:

- If the total of the charges for 12 months exceeds the annual minimum, the last bill of the contract year will include only the charges for that month.
- If the total of the charges for 12 months is less than the annual minimum, the last bill of the contract year will include an amount necessary to satisfy the annual minimum.

### POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE IT (SC)  
INDUSTRIAL SERVICE, TIME-OF-USEAVAILABILITY (South Carolina Only)

This schedule is closed and not available to customers or locations not served on this Schedule prior to October 8, 1985, and shall remain in effect for customers under continually effective agreements for this Schedule made prior to October 8, 1985.

Available only to establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premise.

This Schedule is not available for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in, or is prevented from furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

- Single-phase, 120/240 volts; or
- 3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
- 3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
- 3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
- 3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge	\$35.27	
II.	Demand Charge	Summer Months <u>June 1 – September 30</u>	Winter Months <u>October 1 – May 31</u>
	A. On-Peak Demand Charge per month	\$12.32 per KW	\$7.23 per KW
	B. Economy Demand Charge	\$1.05 per KW	\$1.05 per KW
II.	Energy Charge		
	A. All On-Peak Energy per month	3.7020 cents per kWh	3.7020 cents per kWh
	B. All Off-Peak Energy per month	2.9548 cents per kWh	2.9548 cents per kWh

## DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

	Summer Months <u>June 1 – September 30</u>	Winter Months <u>October 1 – May 31</u>
On-Peak Period Hours	12:00 noon – 10:00 p.m. Monday – Friday	6:00 a.m. – 1:00 p.m. Monday – Friday
Off-Peak Period Hours	All other weekday hours and all Saturday and Sunday hours.	

### ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under this Schedule.

### DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

Summer months' rates apply to service from June 1 through September 30. Winter months' apply to service from October 1 through May 31.

### INTERIM LOAD RETENTION RIDER

The Company's Interim Load Retention Rider decrement will apply to service supplied to establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes. The currently approved decrement is included in the rate above.

### CONTRACT DEMAND

The Company will require contracts to specify the maximum demand to be delivered to the Customer which shall be the Contract Demand.

Where the Customer can restrict on-peak demand to levels considerably below that of the Contract Demand, the Company may also contract for a limited On-Peak Contract Demand in addition to the Contract Demand.

### DETERMINATION OF BILLING DEMAND

A. The On-Peak Billing Demand each month shall be the largest of the following:

1. The maximum integrated thirty-minute demand during the applicable summer or winter on-peak period during the month for which the bill is rendered.
2. Fifty percent (50%) of the Contract Demand (or 50% of the On-Peak Contract Demand if such is specified in the contract)
3. 15 kilowatts (KW)

B. Economy Demand

To determine the Economy Demand, the larger of

1. The maximum integrated thirty-minute demand during the month for which the bill is rendered; or
  2. 50% of the Contract Demand
- shall be compared to the On-Peak Billing Demand as determined in A. above. If the demand determined by the larger of B. 1 and B. 2 above exceeds the On-Peak Billing Demand, the difference shall be the Economy Demand.

### MINIMUM BILL

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the sum of the On-Peak Demand Charge and the Economy Demand Charge shall not be less than \$1.52 per month per KW of Contract Demand. If the Customer's measured demand exceeds the Contract Demand, the Company may at any time establish the minimum based on the maximum integrated demand in the previous twelve months including the month for which the bill is rendered.

### POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

### SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

### PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

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SCHEDULE OPT (SC)  
OPTIONAL POWER SERVICE, TIME-OF-USE

AVAILABILITY (South Carolina Only)

Available to the individual customer.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premise.

This Schedule is not available to the individual customer who qualifies for a residential schedule, nor for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in, or is prevented from furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

- Single-phase, 120/240 volts, 120/208 volts, 240/480 volts or other available single-phase voltages at the company's option; or
- 3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
- 3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
- 3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
- 3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I. Basic Facilities Charge		\$33.54	
II.	Demand Charge	Summer Months	Winter Months
	A. On-Peak Demand Charge per month	<u>June 1 – September 30</u>	<u>October 1 – May 31</u>
	For the first 2000 KW of Billing Demand per month	\$13.16 per KW	\$7.69 per KW
	For the next 3000 KW of Billing Demand per month	\$11.67 per KW	\$6.40 per KW
	For all over 5000 KW of Billing Demand per month	\$ 9.40 per KW	\$4.74 per KW
	B. Economy Demand Charge per month	\$1.01 per KW	\$1.01 per KW
III.	Energy Charge		
	The Energy Charge for customers receiving service in establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electrical energy consumption of such establishment is used for its manufacturing processes is shown below under "Industrial Service". The rate for all other customers on this schedule is shown under "General Service".		
		<u>General Service</u>	<u>Industrial Service</u>
		<u>All Months</u>	<u>All Months</u>
	A. All On-Peak Energy per month	4.7928 cents per kWh	4.7928 cents per kWh
	B. All Off-Peak Energy per month	2.1327 cents per kWh	2.1327 cents per kWh

**DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS**

	Summer Months <u>June 1 – September 30</u> 1:00 p.m. – 9:00 p.m. Monday – Friday	Winter Months <u>October 1 – May 31</u> 6:00 a.m. – 1:00 p.m. Monday – Friday
On-Peak Period Hours		
Off-Peak Period Hours	All other weekday hours and all Saturday and Sunday hours.	

**ADJUSTMENT FOR FUEL COSTS**

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

**INTERIM LOAD RETENTION RIDER**

The Company's Interim Load Retention Rider decrement will apply to service supplied to establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes. The currently approved decrement is included in the rate above.

**DEFINITION OF "MONTH"**

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken each month at intervals of approximately thirty (30) days.

Summer months' rates apply to service from June 1 through September 30. Winter months' rates apply to service from October 1 through May 31.

For customers in billing cycles 1-14 and 21-34, summer months' rates apply to the billing months of July through October. Winter months' rates apply to the billing months of November through June.

**CONTRACT DEMAND**

The Company will require contracts to specify the maximum demand to be delivered to the Customer which shall be the Contract Demand.

Where the Customer can restrict on-peak demand to levels considerably below that of the Contract Demand, the Company may also contract for a limited On-Peak Contract Demand in addition to the Contract Demand.

**DETERMINATION OF BILLING DEMAND**

A. The On-Peak Billing Demand each month shall be the largest of the following:

1. The maximum integrated thirty-minute demand during the applicable summer or winter on-peak period during the month for which the bill is rendered.
2. Fifty percent (50%) of the Contract Demand (or 50% of the On-Peak Contract Demand if such is specified in the contract)
3. 15 kilowatts (KW)

B. Economy Demand

To determine the Economy Demand, the larger of

1. The maximum integrated thirty-minute demand during the month for which the bill is rendered; or
2. 50% of the Contract Demand  
shall be compared to the On-Peak Billing Demand as determined in A. above. If the demand determined by the larger of B. 1 and B. 2 above exceeds the On-Peak Billing Demand, the difference shall be the Economy Demand.

**MINIMUM BILL**

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the sum of the On-Peak Demand Charge and the Economy Demand Charge shall not be less than \$1.49 per month per KW of Contract Demand. If the Customer's measured demand exceeds the Contract Demand, the Company may at any time establish the minimum based on the maximum integrated demand in the previous twelve months including the month for which the bill is rendered.

**POWER FACTOR CORRECTION**

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

**SALES TAX AND MUNICIPAL FEES**

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

**PAYMENT**

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

**CONTRACT PERIOD**

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.



SCHEDULE HP-X (SC)  
HOURLY PRICING FOR INCREMENTAL LOAD

AVAILABILITY (South Carolina Only)

Available to non-residential establishments with a minimum Contract Demand of 1000 KW who qualify for service under the Company's rate schedules G, GA, I, GT, IT, OPT, or PG, at the Company's option on a voluntary basis. The maximum number of customers on the system to be served under this schedule is one hundred fifty (150).

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premises.

This Schedule is not available for a customer who qualifies for a residential schedule, nor for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in, or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

The Company may cancel this schedule at any time it deems necessary.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point at one of the following approximate voltages, where available:

Single-phase, 120/240 volts; or  
3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or  
3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or  
3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or  
3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

BILL DETERMINATION

The monthly bill under this schedule shall be the sum of the Baseline Charge, Rationing Charge, Incremental Demand Charge, Standby Charge (if applicable), and Energy Charge and shall be the minimum bill.

Where: Baseline Charge = \$ amount calculated from CBL  
Rationing Charge = Sum of [(New Load kWh per hour - Reduced Load kWh per hour) X Hourly Rationing Charge]  
Incremental Demand Charge = Incremental Demand KW X \$.25 per KW  
Standby Charge = (see Provision for Customers Operating in Parallel with the Company)  
Energy Charge = (a) + (b)

Where:

- (a) = Sum of [(New Load kWh per hour - Reduced Load kWh per hour) X Hourly Energy Charge]  
(b) = Net New Load kWh X .5 Cents per kWh Incentive Margin

DEFINITIONS

Customer Baseline Load (CBL): The CBL (kWh per hour) is one full year (365 days) of the individual customer's hourly loads representing the customer's energy use and load pattern on the applicable qualifying rate schedule. The CBL, as agreed to by the Customer and the Company, is used to define the level of kWh in each hour, above which all kWh will be billed at the hourly energy prices described under Schedule HP-X.

New Load: New Load (kWh per hour) is the amount by which actual kWh in any hour exceeds the CBL kWh for the same hour.

Reduced Load: Reduced Load (kWh per hour) is the amount by which actual kWh in any hour is less than the CBL kWh for the same hour.

Net New Load: Net New Load (kWh per month) is the sum of New Load kWh per hour during the month less the sum of Reduced Load kWh per hour during the month.

## SCHEDULE HP-X (SC) continued

**Incremental Demand:** The Incremental Demand for local distribution facilities (KW per month) is the amount by which the maximum integrated 30-minute demand during the month for which the bill is rendered exceeds billing demand used in determining the baseline charge for the same period.

**Month:** The term "month" as used in the Schedule means the period intervening between readings of electronic pulse data for the purpose of monthly billings. Such data will be collected each month at intervals of approximately thirty (30) days.

**Contract Demand:** The Company will require contracts to specify a Contract Demand which will be the maximum demand to be delivered under normal conditions.

### RATE:

**Baseline Charge:** The Baseline Charge (\$/month) is determined each month by calculating a bill on the current revision of the customer's qualifying rate schedule using Customer Baseline Load for the month to arrive at the appropriate monthly demand and energy amounts. All provisions of the qualifying rate schedule, including Determination of Billing Demand, Minimum Bill, Adjustment for Fuel Cost, Extra Facilities Charge, Interconnection Facilities Charge, etc. will apply to the bill calculation used to determine the Baseline Charge.

**Rationing Charge:** The Rationing Charge (¢/kWh) consists of a generation component and/or a transmission component and/or a distribution component and will be determined on an hourly basis during the month. The generation component applies to any hour of the month when low reserve margins for available generation are expected to require the operation of combustion turbines. The transmission and/or distribution component applies to any hour during the billing month when the system demand is expected to exceed 90 percent of the forecasted summer peak demand. The transmission component applies to customers served from the transmission system. Both the transmission and distribution components apply to customers served from the distribution system. If none of the above conditions occur during the month, the Rationing Charge will be zero. The Rationing Charge will be communicated as described in Energy Price Determination.

**Incremental Demand Charge:** \$.25 per KW per month

**Energy Charge:** The Energy Charge (¢/kWh) is the hourly charge equal to expected marginal production cost including line losses, and other directly-related costs. The Energy Charge will be communicated as described in Energy Price Determination.

**Incentive Margin:** .5¢ per kWh which is applied to Net New Load.

### DETERMINATION OF PRICING PERIODS

Each hour of the day is a distinct pricing period. The initial pricing period of the day is a one-hour period beginning at 12:00:01 a.m. and ending at 1:00:00 a.m. The last pricing hour of the day begins at 11:00:01 p.m. and ends at 12:00 midnight.

### ENERGY PRICE DETERMINATION

Each business day by 4:00 p.m., the hourly Energy Charges, and Rationing Charges, if applicable, for the 24 hours of the following day will be communicated to the Customer. Prices for weekends and Company holidays will be communicated to the Customer by 4:00 p.m. on the last business day before the weekend or holiday. The customer is responsible for notifying the company if he fails to receive the price information.

### PROVISION FOR CUSTOMERS OPERATING IN PARALLEL WITH THE COMPANY

If a customer has power generating facilities operated in parallel with the Company and the Baseline Charge is not calculated under Schedule PG, the Standby Charge, along with the paragraphs, Determination of Standby Charges and Interconnection Facilities Charge shall be applicable to service under this schedule. The Incremental Demand Charge does not apply to any incremental demand that is less than Standby Demand.

### PROVISION FOR CUSTOMERS SERVED UNDER RIDER IS

For customers served under Rider IS, the Interruptible Contract Demand shall be the same as that contracted for during the baseline period. Further, the calculation of the Effective Interruptible Demand (EID) each month will exclude all energy consumed above the CBL. The Rationing Charge will not apply to reduced load above Firm Contract Demand during the hours of interruption periods.

### POWER FACTOR CORRECTION FOR INCREMENTAL LOAD

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the kWh of load and the kilowatts of Incremental Demand, by multiplying by 85 percent and dividing by the average power factor in percent for that month.

When the hourly power factor of the Customer's power requirement is less than 85 percent, and the customer is operating in parallel, the Company will correct the kWh of load for that hour, and the kilowatts of Incremental Demand, if established in that hour, by multiplying by 85 percent and dividing by the average power factor in percent for that hour.

SCHEDULE HP-X (SC) continued

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under the Schedule, including determination of the Baseline Charge.

INTERIM LOAD RETENTION RIDER

The Company's Interim Load Retention Rider decrement will apply to service supplied to establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes.

EXTRA FACILITIES CHARGE

A monthly "Extra Facilities Charge" equal to 1.7% of the installed cost of extra facilities necessary for service under Schedule HP-X, but not less than \$25, shall be billed to the Customer in addition to the bill under Schedule HP-X described under Bill Determination and any applicable Extra Facilities Charge included in the Baseline Charge.

MODIFICATIONS OF THE CBL

The CBL will normally represent a full year under the same rate design or structure, and may be reestablished every four years. Modifications to the CBL may be allowed at the option of the Company under certain situations. These situations may include, but are not limited to, the following:

- Adjustments of load patterns associated with annual plant shutdowns, or to smooth random variations in the load pattern, provided the modifications result in revenue neutrality
- One-time permanent modifications to the physical establishment capacity completed prior to initiating service on this schedule
- Adjustments to reflect any Company-sponsored load management program

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each Customer shall enter into a contract to purchase electricity under this schedule for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter, by giving at least sixty (60) days previous notice of such termination in writing.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE PG (SC)  
PARALLEL GENERATIONAVAILABILITY (South Carolina Only)

Available only to non-residential establishments which have generating facilities not in excess of eighty (80) megawatts which are interconnected with the Company's system.

Service under this Schedule shall be used solely by the individual contracting Customer in a single enterprise, located entirely on a single, contiguous premise.

The Customer's interconnected power generating facilities may be operated in parallel with the Company's system. Power delivered under this schedule shall not be used for resale or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Power Company, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one metering point, at one delivery point, at one of the following approximate voltages where available, upon mutual agreement:

- 3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
- 3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
- 3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
- 3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

		<u>Interconnected To</u>	
		<u>Transmission System</u>	<u>Distribution System</u>
<b>CHARGES</b>			
I.	Customer Charge per month:	\$53.76	\$53.76
II.	On-Peak Demand Charge per On-Peak month:	\$13.24 per KW	\$15.77 per KW
III.	Energy Charge		
	The Energy Charge for customers receiving service in establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes is shown below under "Industrial Service". The rate for all other customers on this schedule is shown under "General Service".		
	<u>General Service</u>		
	a. All On-Peak Energy per month:	2.8951 cents per kWh	2.9664 cents per kWh
	b. All Off-Peak Energy per month:	2.7016 cents per kWh	2.7731 cents per kWh
	<u>Industrial Service</u>		
	a. All On-Peak Energy per month:	2.8951 cents per kWh	2.9664 cents per kWh
	b. All Off-Peak Energy per month:	2.7016 cents per kWh	2.7731 cents per kWh
IV.	Standby Charge per month:	\$.95 per KW	\$.95 per KW

RATE: (continued)CREDITS

Credits for excess energy supplied to the Company will be provided at the rates in Schedule PP (SC); however, for customers receiving credits for excess energy under Schedule PG (SC) pursuant to a contract in effect prior to September 1, 1996, the credits shall be as follows:

I.	Demand Credit per On-Peak month:	\$5.94 per KW	\$6.15 per KW
II.	Energy Credit		
	The Energy Credit for customers receiving service in establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes is shown below under "Industrial Service". The rate for all other customers on this schedule is shown under "General Service".		
	<u>General Service</u>		
	a. All On-Peak Energy per month:	2.7791 cents per kWh	2.8591 cents per kWh
	b. All Off-Peak Energy per month:	2.6491 cents per kWh	2.7291 cents per kWh
	<u>Industrial Service</u>		
	a. All On-Peak Energy per month:	2.7791 cents per kWh	2.8591 cents per kWh
	b. All Off-Peak Energy per month:	2.6491 cents per kWh	2.7291 cents per kWh

ADJUSTMENTS FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

INTERIM LOAD RETENTION RIDER

The Company's Interim Load Retention Rider decrement will apply to service supplied to establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes. The currently approved decrement is included in the rate for Industrial Service above.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

DETERMINATION OF ON-PEAK AND OFF-PEAK PERIODS

On-Peak Period Hours	7:00 a.m. - 11:00 p.m. Monday - Friday
Off-Peak Period Hours	All other weekday hours and all Saturday and Sunday hours

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period of time between meter readings for the purpose of monthly billings. Readings are taken once a month at intervals of approximately thirty (30) days.

On-Peak Months	Billing Months of December, January, February, March, June, July, August, September
Off-Peak Months	Billing Months of April, May, October, November

CONTRACT DEMAND

The Company will require contracts to specify a Contract Demand. The Contract Demand shall be the maximum demand to be delivered under normal conditions to the Customer during the on-peak periods of the On-peak Billing months of December through March and June through September.

DETERMINATION OF DEMAND CHARGES

The On-Peak Demand for billing purposes shall be the largest of the following:

1. The maximum integrated thirty-minute demand during the on-peak period during the On-Peak month for which the bill is rendered.
2. Seventy-five percent (75%) of the Contract Demand
3. 30 kilowatts (KW)

Demand charges are applicable for the billing months of December through March and June through September. Demand charges do not apply in the billing months of October, November, April, or May.

DETERMINATION OF STANDBY CHARGE

The Company will require each customer who supplies any portion of his electrical requirements by his generating facilities to contract for standby, auxiliary, or breakdown service. For billing purposes the Standby KW will be based on the nameplate capacity in kilowatts of the Customer's generating facility.

However, at the option of the Customer, additional metering facilities will be installed and for billing purposes, the Standby KW will be based on the Customer's maximum integrated thirty-minute demand which has been supplied by the Customer's generating facilities during the previous twelve months, including the month for which the bill is rendered. If additional metering facilities are installed, they will be subject to a monthly Extra Facilities Charge.

### INTERCONNECTION FACILITIES CHARGE

The Customer shall be responsible for providing suitable control and protective devices on his equipment to assure no disturbance to other customers of the Company or to the Company itself, and to protect the Customer's facilities from all loss or damage which could result from operation with the Company's system.

The Company will furnish, install, own, and maintain interconnection facilities necessary for service under this Schedule including:

- suitable control and protective devices installed on the Company's equipment to allow operation of the Customer's generating facilities;
- metering facilities equipped to prevent reverse registration for the measurement of service under this Schedule; and
- any other modification to its system required to serve the Customer under this Schedule as required by the Company.

All such interconnection facilities in excess of those required in the absence of the Customer's generating facilities to provide capacity at the level of the Contract Demand shall be subject to a monthly charge under the Extra Facilities provision of the Company's Service Regulations. The Company reserves the right to install, at any time, facilities necessary for the appropriate measurement of service under this Schedule and to adjust the Interconnection Facilities Charge accordingly, solely at the option of the Company.

### DETERMINATION OF DEMAND CREDITS (See Rate Paragraph for applicability)

Demand credits will be based on the maximum thirty-minute integrated demand which is continuously supplied to the Company during the on-peak periods of the months of June through September and December through March, and will be applied to the Customer's bill in the appropriate month.

### POWER FACTOR CORRECTION

When the average monthly power factor of the power required by the Customer from the Company is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

When the average monthly power factor of the power supplied by the Customer to the Company is less than 90 percent or greater than 97 percent, the Company may correct the maximum integrated on-peak demand in kilowatts or the energy in kilowatt-hours, as appropriate.

The Company reserves the right to install facilities necessary for the measurement of power factor and to adjust the Interconnection Facilities Charge accordingly, solely at the option of the Company.

### MINIMUM BILL

The minimum monthly bill shall be calculated on the Rate above including the Customer Charge, On-Peak Demand Charge, Energy Charge, Standby Charge, etc., but the Demand Charge component billed during the On-Peak months shall be based on not less than 75% of the Contract Demand. If the Customer's demand measured during normal operating conditions exceeds the Contract Demand, the Company may, at any time, establish the minimum based on the maximum integrated demand in the previous 12 months including the month for which the bill is rendered.

### PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

Credit billings to the Customer will be credited to the Customer's account, or, at the option of the Customer and upon ten (10) days' prior written notice, shall be payable to the Customer within fifteen (15) days of the date of the bill.

### CONTRACT PERIOD

Each customer shall enter into a contract for a minimum original term of five (5) years and thereafter until terminated by giving at least thirty (30) months' previous notice of such termination in writing, but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

The Company reserves the right to terminate the Customer's contract under this Schedule at any time upon written notice to the Customer in the event that the Customer violates any of the terms or conditions of this Schedule or operates his generating facilities in a manner which is detrimental to the Company or any of its customers. In the event of early termination of a contract under this Schedule, the Customer will be required to pay the Company for the costs due to such early cancellation.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

**SCHEDULE EV-X (SC)  
ELECTRIC VEHICLE SERVICE  
(Pilot)**

**AVAILABILITY (South Carolina Only)**

Available to customers receiving concurrent service on a residential rate schedule or on nonresidential Schedules G, GA, I, or OPT, at the Company's option, on a voluntary basis. The maximum number of customers on the system to be served under this pilot, as selected by the Company, is fifty.

This schedule is available for service to electric-powered vehicles licensed for operation on public streets and highways, where the following requirements are met:

1. For residential customers and for nonresidential customers using less than 3,000 kWh per month and do not have a demand meter installed, service under this schedule will be supplied by a separate meter.
2. For nonresidential customers under Schedules G, GA, I, or OPT with a demand meter, service to the Customer's electric-vehicle charging circuit(s) may be separately metered or may be submetered.
3. Service will be supplied under this schedule only where 90% of the energy consumption of the separate meter or the submeter is for the purpose of charging electric vehicles.
4. The maximum number of electric vehicles to be served under this schedule per residential customer is two.
5. The electric vehicle(s) charged using service provided under this schedule may not be charged at any other location during this pilot.
6. The designated charging location(s) will be clearly marked for the Customer by the Company, and loads other than that allowed under (3) above will not be permitted to be served under this Schedule.
7. The Company shall have the right to install special metering and load research devices on the Company's equipment. Further, the Company shall have the right to require that the owner give satisfactory written approval for the Company's installation and operation of the devices on that equipment before entering an agreement with the Customer and making such installation.

**TYPE OF SERVICE**

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

Single-phase, 120/240 volts; or  
 3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or  
 3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or  
 3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or  
 3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

**RATE:**

I.	Basic Facilities Charge per month	\$7.75
II.	Energy Charge	
	a. On-Peak Energy per month per kWh	9.0671 cents
	b. Off-Peak Energy per month per kWh	3.1271 cents
	Determination of On-Peak and Off-Peak Hours	
	On-Peak Period Hours	6:00 a.m. - 9:00 p.m. Monday - Friday
	Off-Peak Period Hours	9:00 p.m. - 6:00 a.m. Monday - Friday
		12:00 a.m. - 12:00 p.m. Saturday and Sunday

**ADJUSTMENT FOR FUEL COSTS**

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under this Schedule.

**DEFINITION OF "MONTH"**

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken each month at intervals of approximately thirty (30) days.

**ADDITIONAL FACILITIES CHARGE**

A monthly Additional Facilities Charge equal to 1.7% of the installed cost of additional facilities necessary for submetered service under Schedule EV-X, but not less than \$25, shall be billed to the Customer under the Rate above when applicable.

**MINIMUM BILL**

The minimum bill shall be the Basic Facilities Charge, plus Additional Facilities Charge, if applicable.

**PAYMENT**

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

**CONTRACT PERIOD**

Each customer shall enter into a contract to purchase electricity under this pilot schedule for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter, by giving at least sixty (60) days previous notice of such termination in writing.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

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SCHEDULE MP (SC)  
MULTIPLE PREMISES SERVICE  
(Pilot)

AVAILABILITY

Available, at the Company's option, to up to twenty business entities on the Duke system for service to two or more non-contiguous premises, located entirely within the state of South Carolina, provided that the total of the contract demands for all premises served under this schedule is at least 5000 KW, and provided that each delivery point has a minimum contract demand of 30 KW. A business entity is defined as a single corporation, partnership, or individual owner. This schedule is not available for individual franchise units of a business, nor for subsidiaries operating as a separate corporation or partnership. The Company will make the final determination as to what constitutes a business entity and applicable premises to be served under this schedule.

Service under this schedule is not available when multiple delivery points exist on contiguous premises unless such multiple delivery points are combined under the Extra Facilities provision of the Company's Service Regulations. For the purposes of this rate, premises is defined as the land and buildings or other facilities on it that require the use of electricity. The customer will not be required to include a delivery point with other services provided to the premises, if the service has a contract demand of less than 30 KW. Service to such delivery points will be served under another applicable schedule.

This Schedule is not available to establishments that would otherwise qualify for a residential service schedule. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights of way, privileges, franchises, permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed, or is prevented from furnishing the power by its failure to secure and retain such rights of way, rights, privileges, franchises, and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

- Single-phase, 120/240 volts; or
- 3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
- 3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
- 3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
- 3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge per month	\$33.54	
II.	Demand Charge		
		Summer Months	Winter Months
		<u>June 1 – September 30</u>	<u>October 1 – May 31</u>
A.	On-Peak Demand Charge		
	Transmission Level Billing Demand	\$11.70 per KW	\$6.55 per KW
	Distribution Level Billing Demand	\$12.70 per KW	\$7.55 per KW
B.	Excess Demand Charge	<u>All Months</u>	
	Each KW of the Excess Demand	\$1.01 per KW	

RATE: (continued)

## III. Energy Charge

The Energy Charge for customers receiving service in establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes is shown below under "Industrial Service". The rate for all other customers on this schedule is shown under "General Service".

	<u>General Service</u>	<u>Industrial Service</u>
	<u>All Months</u>	<u>All Months</u>
A. On-Peak energy per month	4.7928 cents per kWh	4.7928 cents per kWh
B. Off-Peak energy per month	2.1327 cents per kWh	2.1327 cents per kWh

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

	<u>Summer Months</u>	<u>Winter Months</u>
	<u>June 1 – September 30</u>	<u>October 1 – May 31</u>
On-Peak Hours	1:00 p.m. – 9:00 p.m. Monday – Friday	6:00 a.m. – 1:00 p.m. Monday – Friday
Off-Peak Hours	All other weekday hours and all Saturday and Sunday hours.	

DETERMINATION OF BILLING DEMAND

## A. The On-Peak Billing Demand each month shall be the largest of the following:

1. The 30-minute integrated demand which is coincident with maximum 30-minute integrated demand for all customer premises served under this schedule.
2. Fifty percent (50%) of the Premises Contract Demand
3. 30 KW

Transmission Level Billing Demand applies to a delivery point served from the Company's 44 KV system or above, provided that the delivery voltage is a minimum of 4 KV for initial permanent service to a premises after (effective date). Distribution Level Billing Demand applies to all other premises served under this schedule.

When the 30-minute integrated demand which is coincident with maximum 30-minute integrated demand for all customer premises served under this schedule cannot be determined due to either commencement of service at a premises after the beginning of the billing period, or cessation of service at a premises prior to the end of the normal billing period, then the highest 30-minute integrated demand for the premises during the on-peak period served for that month will be used in (A.1) above.

## B. Excess Demand

To determine the Excess Demand, the maximum integrated thirty-minute demand for the month for which the bill is rendered shall be compared to the On-Peak Billing Demand as determined in (A.) above. The difference shall be the Excess Demand for billing purposes.

BILLING PROCEDURES

The Company will calculate a separate charge for each premises served under this schedule. Each premises will be billed a Basic Facilities Charge, Demand Charge, Energy Charge, and if applicable, Extra Facilities Charges, and Remote Metering Charges. Any applicable sales tax or other fee assessed by or remitted to a state or local governmental authority will be added to the charge for each premises. The total of the bills calculated for each premises will be provided to the Customer.

CONTRACT DEMAND

The Company will require contracts for each premises to specify a Premises Contract Demand. The Premises Contract Demand shall be the maximum demand to be delivered to each premises under normal conditions. The sum of the Premises Contract Demands for each premises served under this schedule shall be known as the Total Multiple Premises Contract Demand and shall not be less than 5000 KW.

METERING AND OTHER EQUIPMENT

Service supplied under this schedule will be metered through a metering system capable of measuring electrical demand and energy at all hours each day. For billing purposes, demand and energy will be determined from electronic pulse data, in lieu of readings taken from a standard meter.

If an individual premise to be served has a contract demand of 5000 KW or greater, no additional metering charges are applicable; however, if the contract demand is less than 5000 KW, remote metering charges in accordance with the Company's Remote Meter Reading and Usage Data Service will apply.

The Company shall have the right to install special metering and load research devices on the Customer's equipment, and the right to use the Customer's telephone line for communication with the Company's and the Customer's equipment.

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under this Schedule.

INTERIM LOAD RETENTION RIDER

The Company's Interim Load Retention Rider decrement will apply to service supplied to establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes. The currently approved decrement is included in the rate for Industrial Service above.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken each month at intervals of approximately thirty (30) days.

Summer hours and rates are applicable for service from June 1 through September 30. Winter hours and rates are applicable for service from October 1 through May 31.

MINIMUM BILL

The minimum bill shall be the bill for each premises calculated on the rate above.

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POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local government authority will be added to the charges determined above.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or any time thereafter, by giving at least sixty (60) days previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances. Each customer served under this pilot shall enter a contract to be served under this schedule for a minimum of one (1) year. The Company reserves the right to terminate service supplied under this schedule for any violation of the terms and conditions of this schedule.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

ON-SITE GENERATION SERVICE PROGRAM (SC)  
Pilot

AVAILABILITY (South Carolina only)

The program is available, at the Company's option, to non-residential customers receiving concurrent service on Schedules G, GA, I, OPT, PG or HP-X.

PROGRAM

Under the terms of this program, the Company will own, install, operate and maintain an on-site generator designed to provide a supply of electricity to the Customer's facility in the event that the normal supply of electricity is interrupted. In addition, the Company reserves the right to operate the generator at times when the supply of electricity has not been interrupted to the Customer's facility and thereby provides a source of capacity to the utility system. The minimum size generator provided under this program will have a nameplate rating of 300 KW. The generator and associated equipment will be located on the Customer's premises at a mutually agreed upon location. The Customer will be billed for all usage registered on the Company's billing meter under the applicable rate schedule.

RATE

The monthly rate for this service will be determined as follows:

Monthly Services Payment = Levelized Capital Cost + Expenses

Where:

Levelized Capital Cost is equal to the present value of all estimated capital related cash flows for a period corresponding to the time of engineering, design and installation of equipment through the term of the contract, adjusted to a pre-tax amount and converted to a uniform monthly payment for the term of the contract. The estimated capital cash flows shall include installed cost of equipment, contingency allowances, property taxes, salvage value, adjustment to reflect additional supporting investment of general plant nature, and income tax impacts.

Expenses shall equal the present value of estimated expenses associated with the support and maintenance of the generation and equipment, adjusted to a pre-tax amount and converted to a uniform monthly payment for the term of the contract. The estimated expenses shall include administrative and general expenses, expenses for labor and materials related to operations and maintenance, third party expenses for operations and maintenance, warranties, insurance, annual costs associated with working capital, fuel inventory, other costs related to the operation and support of the generator installation, and income tax impacts.

The after-tax cost of capital from the Company's most recent general rate case will be used to convert present values to uniform monthly payments.

PAYMENT

Bills for service under this program are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. All bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge. This late payment charge shall be rendered on the following month's bill and it shall become a part of and due and payable with the bill on which it is rendered.

CONTRACT PERIOD

As provided in the On-Site Generation Service Agreement (Agreement), each customer shall enter into a contract for On-Site Generation Service from the Company for an original term of ten (10) years, or other term at the Company's option, and thereafter from year to year upon the condition that either party may terminate the contract at the end of the original term by giving at least ninety (90) days previous notice of such termination in writing. In the event of early termination of an Agreement under this program, the Customer may be required to pay the Company a termination fee as set forth in the Agreement.

## On-Site Generation Service Agreement

**THIS AGREEMENT** is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 200\_ (the "Effective Date") by and between Duke Power, a division of Duke Energy Corporation ("Duke"), and \_\_\_\_\_ ("Customer"), having a physical address at \_\_\_\_\_ (hereinafter "the Site"). Duke and the Customer are hereinafter collectively referred to as "the Parties."

**WHEREAS**, the Customer desires for Duke to provide equipment and services to allow for on-site generation at its Site in order for Customer to maintain the supply of electricity to its Site in the event the normal electric supply is interrupted;

**WHEREAS**, Duke is willing to provide such equipment and services to allow for on-site generation at Customer's Site in accordance with the terms of this Agreement and the Schedule attached hereto as **On-site Generation Service**.

**NOW THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. **Scope of Services.** Duke shall provide the on-site generation equipment identified in **Scope Of Work** attached hereto (the "Equipment") and the labor, supervision, equipment, materials and transportation necessary for the installation of the Equipment at the Customer's Site, and maintenance and fuel acquisition to support the use of the Equipment (the "Services"). Customer shall provide, at no cost to Duke, any plans, specifications, drawings, or information that may be necessary or useful in the performance of the Services. In the event of any unforeseen difficulties in installation of the Equipment or performance of the Services due to conditions at the Site or due to the inaccuracy of information provided by Customer and relied upon by Duke, the Monthly Rate (as defined below), the scope of Services, and the Term shall be equitably adjusted to compensate Duke for any additional work. The Equipment shall only be approved for use by Customer upon: (i) completion of installation, (ii) connection to the Customer's electric facilities, (iii) connection to Duke's electric facilities and (iv) testing by Duke. Duke shall test the Equipment to ensure that it is in proper working order. Upon satisfactory completion of such tests, the Services shall be deemed accepted by Customer.
2. **Payment.** Customer shall pay the fees set forth in **On-site Generation Service Schedule** attached hereto (the "Monthly Rate"). Payments are due and payable on the date of the bill at the office of Duke. Bills are past due and delinquent on the fifteenth day after the date of the bill.
3. **Term and Termination.** This contract shall become effective upon the Effective Date and shall continue for a term of \_\_\_\_ years ("Initial Term") unless otherwise terminated as provided herein. If either party breaches any material provision of this Agreement, including obligations for payment, which material breach remains uncured for a period of thirty (30) days from and after receipt of written notice, the non-breaching Party may terminate this Agreement and exercise any remedies at equity or at law. In addition, the Customer shall have the right to terminate this Agreement before the Initial Term has expired by (a) providing a minimum of ninety (90) days written notice prior to termination and (b) paying a termination fee (the "Termination Fee"). The Termination Fee will be calculated by taking the net present value of the Customer's payments remaining in the Term, adding an estimated removal cost of the Equipment (including any costs incurred to restore Customer's property to a substantially equivalent condition as before the installation) as calculated by Duke, and subtracting therefrom the difference between the current salvage value of the Equipment and the present value at the time of termination of the salvage

value used in establishing a monthly rate. In the event of any termination of the Agreement before the end of the Term, Duke shall be paid for all Services provided to the Customer prior to the effective date of termination. After the expiration of the Initial Term this Agreement shall be renewed for annual terms unless either party provides a minimum of ninety (90) days written notice of termination. This Agreement shall also be terminated immediately upon the occurrence of: (i) insolvency of any of the Parties, (ii) changes in laws, regulations or governmental restrictions which would make the providing of the Services impossible or impractical for Duke, and (iii) any act which jeopardizes Duke's title to or rights in the Equipment. Upon termination of this Agreement for any reason, Duke shall be entitled, without prejudice to any other remedies that Customer may have at law or in equity, to remove immediately all of its installed Equipment.

4. **Permits and Licenses.** Duke shall be responsible for obtaining all license and permits required to enable Duke to perform the Services, provided that Customer shall provide Duke all reasonable assistance in obtaining such permits and license. Customer will be responsible for environmental registration with the appropriate authority and Duke will prepare all necessary documents for such registration. Customer shall be responsible for paying all associated costs and fees to comply with any laws, rules, regulations, or ordinances of any federal, state or local authority, or any agency thereof. Duke may upon thirty (30) days written notice to Customer terminate this Agreement without liability or penalty if Duke, after the exercise of all reasonable and diligent efforts, is unable to obtain or maintain any license, permit or other approval necessary to perform the Services or operate the Equipment.
5. **Right of Access.** Customer shall provide reasonable access to the Site at all times for Duke to perform the Services, including access for all vehicles (including, but not limited to, fuel tankers, cranes and other heavy construction vehicles), tools, materials and supplies reasonably required for maintenance of the Equipment. Customer shall provide a location on the Site for installation of Duke's Equipment, as well as reasonable lay-down area to store parts and perform the Services. Any additional costs incurred by Duke due to inadequate access to the Site shall be grounds for an equitable adjustment in the installation schedule and the Monthly Rate. Duke shall have the right to suspend services or adjust the schedule accordingly in the event that there is inadequate access to the Site, or if any other information is not promptly provided, or in the event that the safety of any person or property might be jeopardized by continuing with the Services.
6. **Preparation and Protection of Site.** In addition to the other obligations of Customer set forth in this Agreement, Customer shall be responsible for installation of any fences or other barriers to protect Equipment and third parties. Customer will also be responsible for installing any desired aesthetic screening of Equipment. Customer shall provide Duke all reasonable assistance in removing any fence or other barrier that obstructs Duke's ability to remove its Equipment upon termination of this Agreement.
7. **Ownership Rights.** Duke shall retain title to all Equipment provided by Duke pursuant to this Agreement, including all enhancements and accessories thereto, and all intellectual property rights associated therewith (including without limitation, rights to copyrights, trade secrets, and know-how), notwithstanding the fact that the Equipment or any part thereof may become in any manner attached to, embedded in or resting on any real property or building of the Customer. Customer shall keep the Equipment, and all enhancements and accessions thereto, free of all liens, encumbrances, or claims of any kind. In order to protect Duke from such liens and encumbrances, Customer shall, if requested by Duke, execute and deliver to Duke all uniform commercial code financing (UCC-1) statements, continuation statements, notices and other documents that Duke may request from time to time to maintain, protect and perfect Duke's right, title and interest in the Equipment. In order to protect Duke from such liens and

encumbrances, Customer hereby irrevocably appoints Duke as Customer's true and lawful attorney-in-fact with the power to sign Customer's name on, and to deliver any document described in the immediately preceding sentence. Copyrights or patents or other intellectual property created or developed during the performance of the Services shall be the property of Duke. For all such intellectual property, Duke shall grant an irrevocable, non-exclusive royalty-free license for Customer to use any such intellectual property during the term of this Agreement. Customer shall not make any alterations, additions or improvements to the Equipment without Duke's prior written consent.

If the Customer's financial condition declines at any time during the term of the Services hereunder, such that Duke has reasonable grounds to be insecure concerning the Equipment or Customer's ability to perform any of its obligations under this Agreement, Duke may request in writing adequate assurance of performance. Customer shall have ten (10) business days to provide such adequate assurance. If Duke, in its reasonable discretion, determines that Customer has failed to provide adequate assurance within the time period set forth above, then Duke shall have the right to terminate this Agreement immediately and recover the Equipment. Without limitation, grounds for insecurity may include (i) reduction in Customer's senior, unsecured long term debt rating below BB- or equivalent, (ii) notice of any lien or encumbrance allegedly filed against the Equipment; (iii) default of any real property lease upon which the Equipment is located; or (iv) default of any promissory note or loan agreement with any financial institution. Without limitation, adequate assurance to Duke may include cash prepayments, a parental guarantee, and/or a letter of credit, all in an amount and in a form reasonably acceptable to Duke.

8. **Safety.** All Services performed by Duke shall comply with Duke's Safe Work Practices requirements and applicable law. Customer will ensure that all Occupational Safety and Health Act requirements are adhered to for the area of the Site where any Duke Equipment, in support of the Services, is to be stored. It shall be the responsibility of the Customer to promptly notify Duke of any events or problems, other than that of a routine nature, relating to the operation and maintenance of the Equipment which comes to the Customer's attention. Duke, in its sole discretion, may provide Customer an emergency start-up button for the Equipment. Except for the use of this emergency start-up button in accordance with Duke instructions, the Customer shall not, nor shall it permit its employees, contractors or others to, tamper with, adjust, change or attempt to operate any of the Equipment for which Duke has responsibility pursuant to this Agreement.
9. **Warranty.** Duke warrants that services shall be performed in accordance with generally accepted industry practices, however, Duke does not guarantee the uninterrupted operation of the Equipment. Duke shall exercise reasonable efforts to complete the Services by the date agreed upon by the Parties. **EXCEPT AS EXPRESSLY PROVIDED HEREIN, DUKE MAKES NO OTHER WARRANTIES OR GUARANTEES OF ANY KIND WHATSOEVER, WHETHER EXPRESS OR IMPLIED, CONCERNING THE EQUIPMENT OR THE SERVICES PROVIDED UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**
10. **Limitation of Liability.** Except as provided in paragraph 15, Duke shall not be responsible for any work done by third-parties or for any loss, damage, cost or expense arising out of or resulting from such work, unless authorized in advance and supervised by Duke. **DUKE SHALL COMPLY WITH THE TERMS AND CONDITIONS OF ITS SERVICE REGULATIONS ON FILE WITH COMMISSIONS HAVING JURISDICTION OVER PUBLIC UTILITIES. NOTWITHSTANDING THE FOREGOING, DUKE SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, PUNITIVE, OR**

**SPECULATIVE DAMAGES, INCLUDING BUT NOT LIMITED TO, LOST PROFITS DUE TO ANY ACT OR OMISSION UNDER THIS AGREEMENT. IN NO EVENT SHALL DUKE'S LIABILITY EXCEED THE COST TO REPAIR OR REPLACE ANY PROPERTY DAMAGED BY ITS NEGLIGENT MISCONDUCT.**

11. **Protection of Equipment.** In the event of damage to Duke Equipment that is caused by any act or omission of Customer or Customer's agents, Customer agrees to pay all repair or replacement costs associated with the damage. Customer shall protect the Equipment from and shall be liable for loss, damage, theft, fire or destruction to Equipment while Equipment is on Customer's property (less normal wear and tear), and provided such loss or damage is not the result of any act or omission of Duke, its employees, or agents or when such property damage or loss occurs while the Equipment is being serviced or operated by Duke. This paragraph shall survive the termination of this Agreement.
12. **Assignment.** This Agreement shall inure to the benefit of and be binding on the parties and their successors and assigns. Neither party shall assign all or any portion of this Agreement without the prior written consent of the other Party, except that either Party may assign the Agreement without such consent to its successor by merger, or to a person acquiring all or substantially all of business assets or to its parent or a wholly owned subsidiary.
13. **Rate Schedule and Service Regulations.** The sale, delivery, and use of electric power hereunder, and all services of whatever type to be rendered or performed in accordance with the terms of this Agreement, shall in all respects be subject to and in accordance with all of the terms and conditions of Duke Power's Rate Schedule \_\_\_\_\_, **On-site Generation Service Schedule** and its Service Regulations, all of which are now on file with the South Carolina Public Service Commission and are hereby incorporated by reference and made a part of this Agreement as though fully set forth herein.
14. **Amendments.** Services rendered under this Agreement are subject to the authority of the South Carolina Public Service Commission and any changes or other modifications lawfully made thereto. This agreement is subject to changes or substitutions, either in whole or in part, made from time to time by a legally effective filing of Duke with, or by order of, the regulatory authority having jurisdiction. Unless specified otherwise, any such changes or substitutions shall become effective immediately and shall nullify all prior provisions in conflict therewith. Except as expressly provided herein, the terms of this Agreement may not be modified except by written agreement duly executed by both Parties. No amendments to this agreement may be accomplished verbally or through the exchange of letters.
15. **Subcontracting.** Duke shall be permitted to use subcontractors to perform the services. Notwithstanding the use of subcontractors, Duke shall continue to be primarily responsible for the quality of the Services.
16. **Waiver.** The failure of either Party to insist upon performance of any term or condition of this Agreement or to exercise any right hereunder on one or more occasions shall not constitute a waiver or relinquishment of its right to demand future performance of such term or condition, or to exercise such a right in the future.
17. **Confidentiality.** Information disclosed (either directly or by visual examination of facilities) by either party to the other during the performance of the Services may include confidential or proprietary information of such party or third parties to whom it is bound by written obligations of confidentiality ("Confidential Information"). In the event (i) any such Confidential Information is disclosed in writing and is specifically identified as proprietary or confidential in



writing prior to or at the time of disclosure, or (ii) such Confidential Information is disclosed orally or by visual examination and the party claiming confidential status therefore identifies the information in writing as confidential at the time or within a reasonable time after disclosure, the party receiving such Confidential Information shall keep it in confidence and shall not voluntarily furnish or otherwise disclose it to any third party during or after completion of the Services. Neither party shall be obligated to maintain the confidentiality of any Confidential Information designated by the other party as confidential or proprietary if: (a) The information was in the receiving party's possession or was known to the receiving party prior to its receipt from the other party and the receiving party was under no legal obligation to protect the confidentiality of such information; (b) The information is independently developed by the receiving party without the utilization of the Confidential Information; (c) The information is or becomes public knowledge without the fault of the receiving party; or (d) The information is or becomes available to the receiving party from another source without breach of any legal obligation to protect such information.

18. **Delays.** In no event shall Duke be responsible for any damages arising out of any failure to perform or delay due to any cause beyond Duke's reasonable control, including but not limited to riot, war, public emergency, fire, earthquake, acts of God, governmental restrictions, labor disturbances, strikes, delays in delivery of Equipment or interference by the Customer of entry on the Site or any act or failure to act by any third party. In such an event, Duke shall be entitled to an extension of time necessary to overcome the cause of the failure to perform or delay.
19. **Independent Contractor.** The Parties are independent contractors. Neither is the agent of the other. This is not a partnership agreement. While the Parties may enter into additional agreements, no Party here commits to any other to enter into such agreement
20. **Survival; Severability.** All Sections of this Agreement providing for indemnification, confidentiality or limitation of liability shall survive termination, cancellation or expiration of this Agreement. If any provision, or part thereof, of this Agreement shall be held to be invalid or unenforceable for any reason, the invalid provision or part thereof shall be stricken from the Agreement, and the remainder of the Agreement or provision shall be valid and enforceable to the fullest extent permitted by law.
21. **No Publication.** Customer shall not use Duke's name or the fact that Duke is performing Services for Customer in any press releases, media statements or public communications or otherwise publicize this Agreement without Duke's prior written consent. Customer shall not use Duke's (including its subsidiaries and affiliates) name, logos, trademarks, service marks, trade names or trade secrets in any way without Duke's prior written consent, and Duke shall not be deemed to have granted Customer a license of, or granted Customer any rights in, any of the foregoing by entering into this Agreement.
22. **Entire Agreement.** The Parties acknowledge that this Agreement constitutes the entire agreement between the parties and supercedes all previous agreements and understandings concerning the work. In the event of any conflict between the terms and conditions of this Agreement, the terms of **Scope of Work** or the terms of the Rate Schedule, **On-site Generation Service Schedule** and Service Regulations, the terms of the Rate Schedule, **On-site Generation Service Schedule** and Service Regulations shall govern and control. The terms of the Agreement shall control over the terms of **Scope of Work**. This Agreement shall be governed by and construed in accordance with the laws of the State of ~~North~~South Carolina, without reference to any conflict of law principles.

23. **Counterparts**. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

**Duke Power, a division of  
Duke Energy Corporation**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Customer: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

### Foreword

The Service Regulations of the Company are filed with the Commission having jurisdiction over public utilities. The regulations are presented here and are incorporated by reference in each contract or agreement for electric service.

### Definitions

Duke Power Company is referred to herein as the "Company" and the user and prospective user is referred to as the "Customer" or "Consumer," these terms to be considered as synonymous. The North Carolina Utilities Commission is referred to as the "Commission."

## I.

### Agreement

Electric service will be supplied under (a) the Company's standard form of application, service agreement, or contract, (b) the applicable rate schedule or schedules, and (c) these service regulations, unless otherwise specified in any particular rate schedule or contract on file with and approved by the Commission. The Company shall not be required to supply service unless and until such agreement is executed by the Customer and the Company. It is understood and agreed that no promise, statement or representation by an agent, employee or other person shall be binding upon the Company unless it is in writing and attached to and made a part of the agreement. However, when the requested supply of electricity is for residential use, or for nonresidential use under contracts of one hundred twenty-five kilowatts (125 KW) or less, and no additional charges are involved, the Customer's application or agreement may be verbal. When the application or agreement is verbal, the Company's applicable rate schedules, riders, and these Service Regulations will be effective in the same manner as if the Company's standard form of application or agreement had been signed by the Customer and accepted by the Company. A verbal service agreement shall be presumed when there is no written application by a Customer, if electricity supplied by the Company is used by the Customer or on the Customer's premises.

### Cancellation of Agreement for Nonresidential Service at Customer's Request

Unless otherwise provided in the rate schedule and/or rider(s) under which the Customer is served, if the Customer requests an amendment to or termination of the agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company as an early termination charge the lower of:

- (a) The net present value of the monthly minimum bills, including, but not limited to, basic facilities, demand, and extra facilities charges, for the remaining term under the agreement less the expected net present value of the monthly minimum bills for the initial term of contract of any successor customer who has applied for service at the premises prior to the effective date of the contract amendment or termination, provided, however, this amount shall not be less than zero.

or

- (b) The loss due to early retirement ("LDER") of all transmission and distribution facilities specifically installed by the Company in order to provide the Customer with electric service under the agreement that will not be utilized by any successor customer who has applied for service at the premises prior to the effective date of the contract amendment or termination. The LDER amount shall be calculated as the installed cost of such facilities less accumulated depreciation, less any salvage value, plus removal cost, provided, however, this amount shall not be less than zero.

Agreement Personal

The rights of the Customer under the agreement are personal and shall not be transferred or assigned by the Customer without the written consent of the Company.

Service Used In Advance

If service is used by the Customer before the application or agreement is completed, the service shall be governed by these regulations and the appropriate rate schedule. The Company may discontinue service at any time upon failure or refusal of the Customer to complete the application or agreement and pay in full the amount due for service to that date.

Vacated Premises

The Customer will notify the Company before quitting or vacating the premises served under the agreement, and will pay upon presentation, all bills due, including any early termination charges, under all agreements.

II.

Deposit

Since an accumulation of unpaid bills would tend toward higher rates for all customers, the Company may require a deposit before beginning service or at any later time. The amount of the deposit and the interest paid on deposits will be in accordance with the Rules and Regulations of the Commission. The Company may require an increase or allow a decrease in the deposit if changes occur in the amount of bills rendered to the Customer. The Company may refund a deposit at any time. When service is discontinued, the Company will refund the deposit plus any accumulated interest, less any unpaid bills. Deposits shall cease to bear interest when service is discontinued and the Company has tendered or endeavored to tender to the Customer the amount due him.